



Present: Laila Barr; Ray Day, Jr.; Dave Elliott, vice-chair; Miranda Leidich, Ed Miller, chair; Carla Saulter; Tina Shereen; Roger Thordarson

Excused: Dan Chavre; Joan Michaels

Guests: Kumiko Huff; Jane Kuechle

Staff: Barbara de Michele, Community Relations Planner; Kevin Desmond, General Manager; Jill Krecklow, Finance and Administrative Services Manager; Sharron Shinbo, Project Manager, Marketing and Service Information.

Miller opened the meeting at 5:30 p.m. (note: the regular meeting time of 6:00 p.m. was changed to accommodate Kevin Desmond's schedule). Miller introduced Kumiko Huff and Jane Kuechle as candidates for the TAC.

Metro's Financial Challenges

Desmond presented an overview of Metro's financial challenges along with possible solutions. He explained that every single transit agency in the nation is facing the same challenges, due to the rising cost of fuel and economic downturn. Demand for service is growing at unprecedented rates, and the means to provide the service is compromised by reduced revenues and increased costs.

For 2008, Metro is projecting a 6.5% increase in ridership. This increase, following five years of similar increases, is stretching the entire system. Riders are standing on most routes, and the number of complaints about service is way up. Like bus systems in other areas, Metro is considering taking seats out of buses to accommodate standees, at least as a demonstration project. New buses have been ordered, but will not meet the current demand.

Thankfully, Metro has added 100,000 hours of service under the Transit Now initiative. The cost of fuel has also moderated this year, with diesel currently selling at \$2.70 a gallon. Metro has taken advantage of new regulations that allow "hedging" fuel (buying in advance and locking in prices).

The biggest issue facing Metro is its heavy reliance on sales tax revenues, which Desmond described as a "roller coaster." If something is not done to balance Metro's revenues with more stable sources, Metro must begin budgeting much more conservatively (setting aside money to help when revenues slow) and will face years of reducing services. Metro is thus proposing:

- A fare increase of 50 cents for adults in February, and youth and senior fare increases of 25 cents in July.
- Raising more revenues from advertising

- Reducing operating expenses through staff reductions
- Reducing capital expenditures
- Possible sale or lease of properties
- Temporarily reducing cash reserves
- Seeking external relief from the federal and state governments
- One-time interim funding from Washington State Department of Transportation

Advertising Report

Shinbo provided an overview of possible advertising sources, including wrapped buses, shelter advertising and transit tunnel advertising (see attached report). Although advertising funds are not a significant part of Metro's budget, they could be used to provide more shelters or additions to the service maintenance budget. Metro is working with local jurisdictions to initiate demonstration projects, which will help to determine what levels and types of advertising would be most acceptable to the public. In many cases, local jurisdictions must change ordinances to allow for transit advertising.

Barr asked Shinbo if Metro has considered advertising on items such as timetables. Shinbo said that her group is indeed looking at that idea. Leidich asked Shinbo to consider advertising at Park and Ride lots. Shinbo responded that local jurisdictions have control of park and ride advertising policies, but it is another opportunity that can be pursued.

Op-Ed Submission

The group edited an op-ed piece drafted by Shereen, Day, Leidich and Anirudh Sahni. After completing the editing, the group authorized Chair Miller to sign the article on their behalf. De Michele will work with Miller to prepare the final article for submission. (See attached).

Committee Business

- Miller reported on his attendance at the statewide Citizens Advisory Committee conference, hosted by the Washington State Transit Association (note: Joan Michaels also attended). He learned that every transit agency in Washington State is experiencing similar problems. The conference was quite informative and helpful, especially a panel featuring several legislators and a presentation from Transportation Choices about lobbying in Olympia on behalf of transit.
- Miller announced that Metro and TAC will host the next CAC Conference. The date is September 25, 2009. The TAC will discuss in more detail at the November meeting.
- De Michele reported that three potential candidates are being reviewed by individual Councilmembers and hopefully will be presented at the November meeting.
- De Michele presented a ruling from the King County Ethics Board stating that TAC may advise the Executive or the Council on ballot measures, but is prohibited from other advocacy activities on behalf of ballot measures.
- Day reported on the South East Seattle Transit Connections Sounding Board; Barr reported on the Ballard-Uptown RapidRide Advisory Panel; and Miller reported on the South Seattle Transit Connections Sounding Board. The ordinance creating TAC specified that one TAC member would be selected to serve on each Metro Sounding

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Board or citizen advisory group. De Michele thanked Day, Miller and Barr for their extra service.

Miller adjourned the meeting at 8:00 p.m.